

# **NEWS RELEASE**



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# Consumer Price Index, West Region — November 2014 Prices in the West down 0.6 percent over the month, up 1.7 percent from a year ago

Prices in the West Region, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), decreased 0.6 percent in November, the U.S. Bureau of Labor Statistics reported today. (See <u>table A</u>.) The November decrease was influenced by lower prices for gasoline, apparel, and electricity. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect seasonal influences.)

Over the last 12 months, the CPI-U increased 1.7 percent. (See <u>chart 1</u>.) Energy prices declined 5.0 percent, primarily the result of a decrease in the price of gasoline. The index for all items less food and energy increased 2.1 percent since November 2013.

Percent
3.5
3.0
2.5
2.0
1.5
1.0
All Items
0.5
All Items less food and energy
0.0

Chart 1. Over-the-year percent change in CPI-U, West Region, November 2011-November 2014

Source: U.S. Bureau of Labor Statistics.

#### Food

Food prices inched up 0.1 percent for the month of November. (See <u>table 1</u>.) Prices for food away from home rose 0.5 percent, but prices for food at home decreased 0.2 percent for the same period.

Over the year, food prices rose 3.5 percent. Prices for food at home advanced 3.9 percent since a year ago, and prices for food away from home advanced 2.9 percent.

### **Energy**

The energy index decreased 7.3 percent over the month. The decrease was mainly due to lower prices for gasoline (-9.8 percent). Prices for natural gas service decreased 5.2 percent, and prices for electricity decreased 3.6 percent in November.

Energy prices declined 5.0 percent over the year, largely due to lower prices for gasoline (-10.0 percent). Prices paid for electricity advanced 0.9 percent, and prices for natural gas service increased 6.7 percent during the past year.

## All items less food and energy

The index for all items less food and energy was unchanged in November. Higher prices for medical care (0.5 percent) and shelter (0.3 percent) contrasted with lower prices for apparel (-2.6 percent), used cars and trucks (-2.6 percent), and recreation (-0.8 percent).

Over the year, the index for all items less food and energy increased 2.1 percent. Components contributing to the increase included shelter (3.7 percent) and medical care (2.6 percent). Partly offsetting the increases were price declines in household furnishings and operations (-0.5 percent) and recreation (-0.1 percent).

Table A. West Region CPI-U monthly and annual percent changes (not seasonally adjusted)

	2009		2010		2011		2012		2013		2014	
Month	Monthly	Annual										
January	0.6	0.1	0.3	1.9	0.5	1.4	0.4	2.6	0.3	1.7	0.3	1.7
February	0.5	0.3	0.1	1.4	0.6	1.9	0.4	2.5	0.8	2.0	0.4	1.3
March	0.1	-0.5	0.3	1.6	0.9	2.6	0.9	2.4	0.4	1.5	0.6	1.5
April	0.3	-0.7	0.2	1.5	0.6	3.0	0.2	2.1	0.0	1.3	0.3	1.8
May	0.3	-1.1	0.1	1.3	0.3	3.2	0.2	2.0	0.2	1.3	0.6	2.3
June	0.6	-1.4	-0.1	0.6	-0.2	3.1	-0.2	2.0	0.1	1.5	0.1	2.3
July	-0.2	-2.0	0.1	0.8	-0.1	2.9	-0.3	1.8	0.0	1.9	0.1	2.3
August	0.2	-1.3	0.1	0.7	0.2	3.0	0.5	2.1	0.1	1.5	-0.1	2.1
September	0.2	-0.8	-0.1	0.5	0.4	3.5	0.5	2.2	0.2	1.3	0.1	2.0
October	0.1	-0.3	0.1	0.6	0.0	3.4	0.4	2.5	-0.1	0.9	-0.1	2.0
November	-0.3	1.2	0.0	0.9	-0.2	3.2	-0.7	1.9	-0.4	1.3	-0.6	1.7
December	-0.2	2.2	0.2	1.3	-0.3	2.7	-0.5	1.7	0.0	1.8		

#### **CPI-W**

In November, the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) was 233.499, down 0.8 percent from October. The CPI-W increased 1.3 percent over the year.

The December 2014 Consumer Price Index for the West Region is scheduled to be released on January 16, 2015.

### **Technical Note**

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 89 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 28 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 87 urban areas across the country from about 4,000 housing units and approximately 26,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at <a href="https://www.bls.gov/cpi">www.bls.gov/cpi</a> and the BLS Handbook of Methods, Chapter 17, The Consumer Price Index, available on the Internet at <a href="https://www.bls.gov/opub/hom/homch17">www.bls.gov/opub/hom/homch17</a> a.htm.

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. NOTE: Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.

The West Region covered in this release is comprised of the following thirteen states: Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: 202-691-5200; Federal Relay Service: 1-800-877-8339.

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periodsWest (1982-84=100 unless otherwise noted)

		Indexes		Percent change from-			
Item and Group	Sep. 2014	Oct. 2014	Nov. 2014	Nov. 2013	Sep. 2014	Oct. 2014	
Expenditure category							
All Items	241.920	241.650	240.220	1.7	-0.7	-0.6	
All items (December 1977=100)	391.050	390.614	388.302				
Food and beverages	246.725	247.548	247.802	3.4	0.4	0.1	
Food	246.789	247.685	247.840	3.5	0.4	0.1	
Food at home	247.510	248.815	248.290	3.9	0.3	-0.2	
Food away from home	244.558	244.875	245.987	2.9	0.6	0.5	
Alcoholic beverages	242.517	242.407	243.905	2.1	0.6	0.6	
Housing	248.005	248.766	248.633	3.2	0.3	-0.1	
Shelter	278.524	279.364	280.264	3.7	0.6	0.3	
Rent of primary residence (1)	291.184	292.639	294.000	4.1	1.0	0.5	
Owners' equiv. rent of residences (1) (2)	291.985	293.171	294.323	3.3	0.8	0.4	
Owners' equiv. rent of primary residence (1) (2)	291.979	293.163	294.313	3.3	0.8	0.4	
Fuels and utilities	280.414	278.793	271.476	3.0	-3.2	-2.6	
Household energy	250.309	247.639	238.047	2.2	-4.9	-3.9	
Energy services (1)	252.024	249.286	239.340	2.2	-5.0	-4.0	
Electricity (1)	273.175	271.059	261.281	0.9	-4.4	-3.6	
Utility (piped) gas service (1)	217.545	213.146	202.164	6.7	-7.1	-5.2	
Household furnishings and operations	127.616	129.292	128.939	-0.5	1.0	-0.3	
Apparel	123.108	123.770	120.544	0.3	-2.1	-2.6	
Transportation	216.202	212.341	205.842	-2.6	-4.8	-3.1	
Private transportation	210.883	206.135	199.259	-2.7	-5.5	-3.3	
New and used motor vehicles (3)	100.706	100.634	99.742	-1.2	-1.0	-0.9	
New vehicles	144.067	145.305	145.046	0.2	0.7	-0.2	
New cars and trucks (3) (4)	100.138	100.977	100.810	0.2	0.7	-0.2	
New cars (4)	144.745	145.862	145.383	-0.2	0.4	-0.3	
Used cars and trucks	146.904	143.669	139.972	-3.5	-4.7	-2.6	
Motor fuel	301.502	279.670	252.545	-9.9	-16.2	-9.7	
Gasoline (all types)	300.027	278.053	250.701	-10.0	-16.4	-9.8	
Gasoline, unleaded regular (4)	299.153	276.842	249.180	-10.1	-16.7	-10.0	
Gasoline, unleaded midgrade (4) (5)	281.633	261.764	237.765	-9.4	-15.6	-9.2	
Gasoline, unleaded premium (4)	284.500	265.285	240.636	-9.5	-15.4	-9.3	
Medical Care	442.039	441.619	443.823	2.6	0.4	0.5	
Medical care commodities	333.431	332.323	334.974	2.7	0.5	0.8	
Medical care services	476.690	476.557	478.535	2.5	0.4	0.4	
Professional services		331.887	333.251	2.3	0.3	0.4	
Recreation (3)	110.199	110.306	109.476	-0.1	-0.7	-0.8	
Education and communication (3)	139.189	138.608	138.279	0.3	-0.7	-0.2	

Note: See footnotes at end of table.

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periodsWest (1982-84=100 unless otherwise noted) - Continued

	Indexes			Percent change from-			
Item and Group	Sep. 2014	Oct. 2014	Nov. 2014	Nov. 2013	Sep. 2014	Oct. 2014	
Other goods and services	400.006	399.301	398.965	1.3	-0.3	-0.1	
Commodity and Service Group							
All Items	241.920	241.650	240.220	1.7	-0.7	-0.6	
Commodities	185.335	184.075	181.169	-0.3	-2.2	-1.6	
Commodities less food & beverages	153.606	151.530	147.422	-2.7	-4.0	-2.7	
Nondurables less food & beverages	200.939	196.375	188.918	-3.0	-6.0	-3.8	
Nondurables less food, beverages, and apparel	255.547	247.451	237.077	-4.0	-7.2	-4.2	
Durables	109.991	110.173	109.111	-2.1	-0.8	-1.0	
Services	293.760	294.449	294.457	2.9	0.2	0.0	
Rent of shelter (2)	296.288	297.187	298.151	3.7	0.6	0.3	
Transportation services	275.671	279.748	280.444	2.1	1.7	0.2	
Other services	334.765	333.922	333.220	1.2	-0.5	-0.2	
Special aggregate indexes:							
All items less medical care	232.693	232.431	230.862	1.7	-0.8	-0.7	
All items less food	241.346	240.891	239.208	1.4	-0.9	-0.7	
All items less shelter	228.499	227.755	225.318	0.7	-1.4	-1.1	
Commodities less food	157.138	155.107	151.140	-2.4	-3.8	-2.6	
Nondurables	224.793	222.706	218.783	0.3	-2.7	-1.8	
Nondurables less food	204.456	200.136	193.178	-2.6	-5.5	-3.5	
Nondurables less food and apparel	253.904	246.587	237.370	-3.5	-6.5	-3.7	
Services less rent of shelter (2)	323.926	324.417	323.174	2.1	-0.2	-0.4	
Services less medical care services	281.036	281.767	281.662	3.0	0.2	0.0	
Energy	281.340	267.981	248.536	-5.0	-11.7	-7.3	
All items less energy	240.894	241.613	241.536	2.3	0.3	0.0	
All items less food and energy	240.619	241.310	241.191	2.1	0.2	0.0	
Commodities less food and energy commodities	140.953	141.275	140.037	-0.7	-0.6	-0.9	
Energy commodities	305.804	284.045	257.049	-9.7	-15.9	-9.5	
Services less energy services	297.157	298.066	298.710	3.0	0.5	0.2	

<sup>(1)</sup> This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.

NOTE: Index applies to a month as a whole, not to any specific date. Data not seasonally adjusted.

<sup>(2)</sup> Index is on a December 1982=100 base.

<sup>(3)</sup> Indexes on a December 1997=100 base.

<sup>(4)</sup> Special index based on a substantially smaller sample.

<sup>(5)</sup> Indexes on a December 1993=100 base.

Regions defined as the four Census regions. West includes Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming.